

December 2014



## Missouri FSA Newsletter

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*Missouri Farm Service Agency wishes you Happy Holidays and we look forward to working with you in 2015!*

### **Missouri Farm Service Agency**

Parkade Center Suite 225  
601 Business Loop 70 West  
Columbia, MO 65203

[www.fsa.usda.gov/mo](http://www.fsa.usda.gov/mo)

### **State Committee:**

Stephen Burke  
Kenneth Hensley  
Sharon Oetting  
Sam Schaumann  
Aaron Whelan

### **State Executive Director:**

Mark Cadle

Please contact your local FSA Office for questions specific to your operation or county.

### **Coverage Selection for New 2014 Farm Bill Safety Net Programs Began Nov. 17**

***Producers have Until March 31, 2015, to Choose the Program Best for their Operation***

Farm owners and producers are reminded that the opportunity to choose between the new 2014 Farm Bill established programs, Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC), began Nov. 17, 2014, and continues through March 31, 2015. The new programs, designed to help producers better manage risk, usher in one of the most significant reforms to U.S. farm programs in decades.

USDA helped create online tools to assist in the decision process, allowing farm owners and producers to enter information about their operation and see projections that show what ARC and/or PLC will mean for them under possible future scenarios. Farm owners and producers can access the online resources, available at [www.fsa.usda.gov/arc-plc](http://www.fsa.usda.gov/arc-plc), from the convenience of their home computer or mobile device at any time.

Farm Service Agency, along with University of Missouri Extension, will be conducting Farm Bill informational meetings in various locations throughout the state. Please contact your local FSA office for more information, or click [here](#) for a listing of upcoming meetings. Check back frequently as future dates will be added.

Dates associated with ARC and PLC

- **Now through Feb. 27, 2015:** Farm owners may visit their local Farm Service Agency office to update yield history and/or reallocate base acres. Producers are encouraged to visit your local office soon to discuss updating yields.
- **Nov. 17, 2014 to March 31, 2015:** Producers make a one-time election between ARC and PLC for the 2014 through 2018 crop years.
- **Mid-April 2015 through summer 2015:** Producers sign contracts for 2014 and 2015 crop years.
- **October 2015:** Payments issued for 2014 crop year, if earned.

To learn more about which safety net options are most appropriate for specific farming operations, farmers can use new Web tools at [www.fsa.usda.gov/arc-plc](http://www.fsa.usda.gov/arc-plc), which can be accessed from the convenience of a home computer or a mobile device at any time.

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## Livestock Disaster Assistance Sign-up Ends Jan. 30th

Livestock disaster program enrollment opened on April 15, 2014. These disaster programs are authorized by the 2014 Farm Bill as permanent programs and provide retroactive authority to cover losses that occurred on or after Oct. 1, 2011.

Eligible producers can sign-up for the following livestock disaster assistance programs:

### **Livestock Forage Disaster Program (LFP):**

LFP provides compensation to eligible livestock producers that have suffered grazing losses due to drought on privately owned or cash leased land. Eligible producers must physically be located in a county affected by a qualifying drought during the normal grazing period for the county. Producers who suffered eligible grazing losses should submit a completed CCC-853 and supporting documentation by **January 30, 2015**.

### **Livestock Indemnity Program (LIP):**

LIP provides compensation to eligible livestock producers that have suffered livestock death losses in excess of normal mortality due to adverse weather and attacks by animals reintroduced into the wild by the federal government or protected by federal law. Producers who suffered livestock death losses should submit a notice of loss and an application for payment to their local FSA office by **January 30, 2015**.

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## USDA Provides Greater Protection for Fruit, Vegetable and Other Specialty Crop Growers

**Free Basic Coverage Plans and Premium Discounts Available for New, Underserved and Limited Income Farmers**

Greater protection is now available from the Noninsured Crop Disaster Assistance Program for crops that traditionally have been ineligible for federal crop insurance. The new options, created by the 2014 Farm Bill, provide greater coverage for losses when natural disasters affect specialty crops such as vegetables, fruits, mushrooms, floriculture, ornamental nursery, aquaculture, turf grass, ginseng, honey, syrup, and energy crops.

Previously, the program offered coverage at 55 percent of the average market price for crop losses that exceed 50 percent of expected production. Producers can now choose higher levels of coverage, up to 65 percent of their expected production at 100 percent of the average market price.

The expanded protection will be especially helpful to beginning and traditionally underserved producers, as well as farmers with limited resources, who will receive fee waivers and premium reductions for expanded coverage. More crops are now eligible for the program, including expanded aquaculture production practices, and sweet and biomass sorghum. For the first time, a range of crops used to produce bioenergy will be eligible as well.

To help producers learn more about the Noninsured Crop Disaster Assistance Program and how it can help them, USDA, in partnership with Michigan State University and the University of Illinois, created an online resource. The Web tool, available at [www.fsa.usda.gov/nap](http://www.fsa.usda.gov/nap), allows producers to determine whether their crops are eligible for coverage. It also gives them an opportunity to explore a variety of options and levels to determine the best protection level for their operation.

If the application deadline for an eligible crop has already passed, producers will have until Jan. 14, 2015, to choose expanded coverage through the Noninsured Crop Disaster Assistance Program. To learn more, visit the Farm Service Agency (FSA) website at [www.fsa.usda.gov/nap](http://www.fsa.usda.gov/nap) or contact your local FSA office at [offices.usda.gov](http://offices.usda.gov). The Farm Service Agency (FSA), which administers the program, also wants to hear from producers and other interested stakeholders who may have suggestions or recommendations on the program. Written comments will be accepted until Feb. 13, 2015, and can be submitted through [www.regulations.gov](http://www.regulations.gov).

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## 2014 MAL and LDP Requests

FSA is accepting requests for marketing assistance loans (MALs) and loan deficiency payments (LDPs) for eligible 2014 commodities.

MALs and LDPs provide financing and marketing assistance for wheat, feed grains, soybeans, and other oilseeds, pulse crops, rice, peanuts, cotton, wool, mohair and honey. MALs provide producers interim financing after harvest to help them meet cash flow needs without having to sell their commodities when market prices are typically at harvest-time lows. A producer who is eligible to obtain a loan, but agrees to forgo the loan, may obtain an LDP *if such a payment is available*. Marketing loan provisions and LDPs are not available for sugar and extra-long staple cotton.

Before MAL repayments and LDP disbursements can be made, producers must meet the requirements of actively engaged in farming, cash rent tenant and member contribution.

To be considered eligible for an LDP, producers must have form CCC-633EZ, Page 1 on file at their local FSA Office before losing beneficial interest in the crop. Pages 2, 3 or 4 of the form must be submitted when payment is requested.

Please contact your local FSA office for additional eligibility requirements.

The 2014 Farm Bill also establishes payment limitations per individual or entity not to exceed \$125,000 annually on certain commodities for the following program benefits: price loss coverage payments, agriculture risk coverage payments, marketing loan gains (MLGs) and LDPs. These payment limitations do not apply to MAL loan disbursements.

Adjusted Gross Income (AGI) provisions were modified by the 2014 Farm Bill, which states that a producer whose total applicable three-year average AGI exceeds \$900,000 is not eligible to receive an MLG or LDP.

National and county loans rates for 2014 crops are posted on the FSA website at: [www.fsa.usda.gov/pricesupport](http://www.fsa.usda.gov/pricesupport).

For more information, please visit a nearby USDA Service Center or FSA's website [www.fsa.usda.gov](http://www.fsa.usda.gov).

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## Farm Bill Allows Early Termination for Certain CRP Contracts

The 2014 Farm Bill requires USDA to offer a limited number of producers the opportunity to opt-out of certain CRP contracts during fiscal year 2015 if those contracts have been in effect for at least five years.

The 2014 Farm Bill specifies that the following types of land will not be eligible for opt-out:

- Filter strips, waterways, strips adjacent to riparian areas, windbreaks, and shelterbelts;
- Land with an erodibility index of more than 15;
- Land devoted to hardwood trees;
- Wildlife habitat, duck nesting habitat, pollinator habitat, upland bird habitat buffer, wildlife food plots, state acres for wildlife enhancement, shallow water areas for wildlife, and rare and declining habitat;
- Farmable wetland and restored wetland;
- Land that contains diversions, erosion control structures, flood control structures, contour grass strips, living snow fences, salinity reducing vegetation, cross wind trap strips, and sediment retention structures;
- Land located within a federally designated wellhead protection area;
- Land that is covered by an easement under CRP;
- Land located within an average width, according to the applicable Natural Resources Conservation Service field office technical guide, of a perennial stream or permanent water body; and
- Land enrolled under the Conservation Reserve Enhancement Program (CREP).

Once a CRP contract termination request is approved by the FSA County Committee, the decision may not be reversed and the terminated contract will not be reinstated. Once the land is no longer considered under the CRP contract participants must meet HEL/WC and other conservation compliance provisions for all associated lands.

For more information or to verify eligibility for early termination (opt-out) for existing CRP contracts, please contact your local FSA office. For local FSA Service Center contact information, please visit: <http://offices.sc.egov.usda.gov/locator/app>.

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## FSA Signature Policy

Using the correct signature when doing business with FSA can save time and prevent a delay in program benefits. The following are FSA signature guidelines:

- Spouses may sign documents on behalf of each other for FSA and CCC programs in which either has an interest, unless written notification denying a spouse this authority has been provided to the county office
- Spouses shall not sign on behalf of each other as an authorized signatory for partnerships, joint ventures, corporations, or other similar entities

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## Beginning Farmer Loans

FSA assists beginning farmers to finance agricultural enterprises. Under these designated farm loan programs, FSA can provide financing to eligible applicants through either direct or guaranteed loans. FSA defines a beginning farmer as a person who:

- Has operated a farm for not more than 10 years
- Will materially and substantially participate in the operation of the farm
- Agrees to participate in a loan assessment, borrower training and financial management program sponsored by FSA
- Does not own a farm in excess of 30 percent of the county's average size farm.

Additional program information, loan applications, and other materials are available at your local USDA Service Center. You may also visit [www.fsa.usda.gov](http://www.fsa.usda.gov).

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## Microloan Program

The Farm Service Agency (FSA) developed the Microloan (ML) program to better serve the unique financial operating needs of beginning, niche and small family farm operations.

USDA raised the borrowing limit for the microloan program from \$35,000 to \$50,000, effective Nov. 7, 2014. The loan features a streamlined application process built to fit the needs of new and smaller producers. This loan program will also be useful to specialty crop producers and operators of community supported agriculture (CSA).

Eligible applicants can apply for a maximum amount of \$50,000 to pay for initial start-up expenses such as hoop houses to extend the growing season, essential tools, irrigation and annual expenses such as seed, fertilizer, utilities, land rents, marketing, and distribution expenses. As financing needs increase, applicants can apply for a regular operating loan up to the maximum amount of \$300,000 or obtain financing from a commercial lender under FSA's Guaranteed Loan Program.

Individuals who are interested in applying for a microloan or would like to discuss other farm loan programs available should contact their local FSA office to set up an appointment with a loan official.

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Selected Interest Rates for December 2014	
90-Day Treasury Bill	.125%
Farm Operating Loans — Direct	2.625%
Farm Ownership Loans — Direct	4.00%
Farm Ownership Loans — Direct Down Payment, Beginning Farmer or Rancher	1.50%
Emergency Loans	3.625%
Farm Storage Facility Loans (7 years)	2.00%
Farm Storage Facility Loans (10 years)	2.375%
Farm Storage Facility Loans (12 years)	2.500%
Commodity Loans 1996- Present	1.125%

Dates to Remember	
Dec. 19	Extended deadline to enroll for 2014 & 2015 coverage for the Dairy Margin Protection Program.
Dec. 25 & 26	Christmas Holiday. FSA offices closed.
Dec. 31	NAP application closing date for potatoes.
Jan. 1	New Year's Day Holiday. FSA offices are closed.
Jan. 30	Final date to apply for 2011-2014 losses through Livestock Forage Disaster Program (LFP) and Livestock Indemnity Program (LIP).

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USDA is an equal opportunity provider and employer. To file a complaint of discrimination, write: USDA, Office of the Assistant Secretary for Civil Rights, Office of Adjudication, 1400 Independence Ave., SW, Washington, DC 20250-9410 or call (866) 632-9992 (Toll-free Customer Service), (800) 877-8339 (Local or Federal relay), (866) 377-8642 (Relay voice users).